Texas Department of Insurance
Division of Workers' Compensation
Medical Fee Dispute Resolution, MS-48
7551 Metro Center Drive, Suite 100 • Austin, Texas 78744-1645
512-804-4000 telephone • 512-804-4811 fax • www.tdi.texas.gov

MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION

GENERAL INFORMATION

Requestor Name and Address

SURGERY CENTER OF DUNCANVILLE
1018 EAST WHEATLAND ROAD
DUNCANVILLE TX 75116-4914

Respondent Name
DALLAS COUNTY

Carrier's Austin Representative Box
Box Number 44

MFDR Tracking Number
M4-11-2331-01

MFDR Date Received
MARCH 11, 2011

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "We are disputing the allowed amounts of both charges ont his device intensive claim. We requested that the carrier pay the service portion only as a third party is billing for the implants."

Amount in Dispute: $960.23

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "An overpayment of $312,51 was inadvertently recommended for procedure code 63663 and a refund was requested on January 28, 2011. The appeal letter from Marc Odom dated March 7, 2011 indicated a refund was not due and he was filing for medical fee dispute resolution."

Response Submitted by: Argus

SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
November 18, 2010	ASC Services for CPT Code 63685	$64.61	$0.00
	ASC Services for CPT Code 63663	$895.62	$0.00
TOTAL		$960.23	$0.00

FINDINGS AND DECISION

This medical fee dispute is decided pursuant to Texas Labor Code §413.031 and all applicable, adopted rules of the Texas Department of Insurance, Division of Workers' Compensation.

Background

1. 28 Texas Administrative Code §133.307 sets out the procedures for resolving a medical fee dispute.
2. 28 Texas Administrative Code §134.402, titled *Ambulatory Surgical Center Fee Guideline*, effective August 31, 2008, sets out the reimbursement guidelines for ambulatory surgical care services.

3. The services in dispute were reduced/denied by the respondent with the following reason codes:

   Explanation of benefits
   - W1T-Workers compensation state fee schedule adjustment "Reimbursement per ASC Guidelines Rule 134.402."
   - 193-W-Original payment decision is being maintained. Upon review, it was determined that this claim was processed properly. "Previous recommendation was in accordance with the Workers' compensation state fee schedule."
   - W5-Request of recoupment for an overpayment made to a health care provider.

Issues

1. Is the requestor entitled to additional reimbursement for CPT code 63685?
2. Is the requestor entitled to additional reimbursement for CPT code 63663?

Findings

1. 28 Texas Administrative Code §134.402(d) states " For coding, billing, and reporting, of facility services covered in this rule, Texas workers' compensation system participants shall apply the Medicare payment policies in effect on the date a service is provided with any additions or exceptions specified in this section."

   28 Texas Administrative Code §134.402(f)(2)(A)(i)(ii) states "The reimbursement calculation used for establishing the MAR shall be the Medicare ASC reimbursement amount determined by applying the most recently adopted and effective Medicare Payment System Policies for Services Furnished in Ambulatory Surgical Centers and Outpatient Prospective Payment System reimbursement formula and factors as published annually in the *Federal Register*. Reimbursement shall be based on the fully implemented payment amount as in ADDENDUM AA, ASC COVERED SURGICAL PROCEDURES FOR CY 2008, published in the November 27, 2007 publication of the *Federal Register*, or its successor. The following minimal modifications apply: (2) Reimbursement for device intensive procedures shall be: (A) the sum of: (i) the ASC device portion; and (ii) the ASC service portion multiplied by 235 percent."

   The requestor states in the position summary that "We requested that the carrier pay the service portion only as a third party is billing for the implants", 28 Texas Administrative Code §134.402(f)(2)(A)(i)(ii) applies to this dispute.

   CPT code 63685 is classified as a device intensive procedure; therefore, reimbursement is applicable to 28 Texas Administrative Code §134.402(f)(2)(A)(i)(ii. To determine the total allowable is a two step process:

   Step 1 calculating the device portion of the procedure:

   The national reimbursement is found in the Addendum B for National Hospital Outpatient Prospective Payment System (OPPS) code 63685 for CY 2010 = $13,892.45.

   This number multiplied by the device dependent APC offset percentage found in the Addendum B for National Hospital OPPS reimbursement of 85% = $11,805.58.

   Step 2 calculating the service portion of the procedure:

   The Medicare fully implemented ASC reimbursement rate is found in the Addendum AA ASC Covered Surgical Procedures fully implemented ASC relative payment weight for CY 2010 =311.4771.
   This number is multiplied by the 2010 Medicare ASC conversion factor of $41.873 = $13,042.48.
   The Medicare fully implemented ASC reimbursement rate is divided by 2 = $6,521.24.

   This number X City Conversion Factor/CMS Wage Index for Dallas County is $6,521.24 X 0.9853 = $6,425.37.

   The geographical adjusted ASC rate is obtained by adding half of the national reimbursement and wage adjusted half of the national reimbursement $6,521.24 + $6,425.37 = $12,946.61.

   The service portion is found by taking the national adjusted rate of $12,946.61 minus the device portion of $11,805.58 = $1,138.03.

   Multiply the geographical adjusted ASC service portion by the DWC payment adjustment to determine the total allowable for the service portion $1,138.03 X 235% = $2,674.37.

   The insurance carrier paid $2,674.39. As a result, additional reimbursement is not recommended.

2. Per ADDENDUM AA, CPT code 63663 is classified as a non-device intensive procedure and is subject to

multiple procedure rule discounting.

As stated above, the requestor is only seeking reimbursement for the service portion of CPT code 63663.

28 Texas Administrative Code §134.402(f)(1)(B)(ii) states "The reimbursement calculation used for establishing the MAR shall be the Medicare ASC reimbursement amount determined by applying the most recently adopted and effective Medicare Payment System Policies for Services Furnished in Ambulatory Surgical Centers and Outpatient Prospective Payment System reimbursement formula and factors as published annually in the *Federal Register*. Reimbursement shall be based on the fully implemented payment amount as in ADDENDUM AA, ASC COVERED SURGICAL PROCEDURES FOR CY 2008, published in the November 27, 2007 publication of the *Federal Register*, or its successor. The following minimal modifications apply: (1) Reimbursement for non-device intensive procedures shall be: (B) if an ASC facility or surgical implant provider requests separate reimbursement for an implantable, reimbursement for the non-device intensive procedure shall be the sum of: (ii) the Medicare ASC facility reimbursement amount multiplied by 153 percent."

28 Texas Administrative Code §134.402(f) reimbursement for non-device intensive procedure for CPT code 63663 is:

The Medicare ASC reimbursement rate is found in the Addendum AA ASC Covered Surgical Procedures. The ASC fully implemented relative payment weight for CY 2010 = 18.3381.

This number is multiplied by the 2010 Medicare ASC conversion factor of 18.3381 X $41.873 = $767.87.

The Medicare fully implemented ASC reimbursement rate is divided by 2 = $383.93

This number X City Conversion Factor/CMS Wage Index for Dallas County is $383.93 X 0.9853 = $378.28.

The geographical adjusted ASC rate is obtained by adding half of the national reimbursement and wage adjusted reimbursement $383.93 + $378.28 = $762.21.

Multiply the geographical adjusted ASC reimbursement by the DWC payment adjustment $762.21 X 153% = $1,166.18.

CPT Code 63663 is subject to multiple procedure rule discounting; therefore, $1,166.18 X 50% = $583.09.

The total allowable for CPT code 63663 is $583.09. The insurance carrier paid $895.62. As a result, the amount recommended for additional reimbursement is $0.00.

Conclusion

The Division would like to emphasize that individual medical fee dispute outcomes rely upon the evidence presented by the requestor and respondent during dispute resolution, and the thorough review and consideration of that evidence. After thorough review and consideration of all the evidence presented by the parties to this dispute, it is determined that the submitted documentation supports the reimbursement amount sought by the requestor. The Division concludes that the requestor has not supported its position that additional reimbursement is due. As a result, the amount ordered is $0.00.

ORDER

Based upon the documentation submitted by the parties and in accordance with the provisions of Texas Labor Code §413.031, the Division has determined that the requestor is entitled to $0.00 reimbursement for the disputed services.

Authorized Signature

Signature	Medical Fee Dispute Resolution Officer	06/11/2013 Date

YOUR RIGHT TO APPEAL

Either party to this medical fee dispute may appeal this decision by requesting a contested case hearing. A completed **Request for a Medical Contested Case Hearing** (form **DWC045A**) must be received by the DWC Chief Clerk of Proceedings within **twenty** days of your receipt of this decision. A request for hearing should be sent to: Chief Clerk of Proceedings, Texas Department of Insurance, Division of Workers Compensation, P.O. Box 17787, Austin, Texas, 78744. The party seeking review of the MDR decision shall deliver a copy of the request for a hearing to all other parties involved in the dispute at the same time the request is filed with the Division. **Please include a copy of the *Medical Fee Dispute Resolution Findings and Decision*** together with any other required information specified in 28 Texas Administrative Code §148.3(c), including a **certificate of service demonstrating that the request has been sent to the other party**.

Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 512-804-4812.